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O R 051450Z JUN 75

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC IMMEDIATE 9590

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

LIMITED OFFICIAL USE SECTION 1 OF 5 BRASILIA 4452

DEPARTMENT PLEASE PASS AGRICULTURE

E. O. 11652: N/A

TAGS: OVIP; EAGR

SUBJECT: VISIT BY SECRETARY BUTZ TO BRAZIL -- PROPOSED SCENARIO

REF: STATE 124232

PART ONE: GENERAL OBSERVATIONS (PART ONE OF THREE)

1. EMBASSY WELCOMES AND STRONGLY SUPPORTS VISIT BY SECRETARY BUTZ. VISIT WILL PROVIDE EXCELLENT OPPORTUNITY FOR DISCUSSION WITH SENIOR GOB OFFICIALS OF IMPORTANT ISSUES OF MUTUAL CONCERN AND WILL BE EXTREMELY USEFUL IN PROMOTING US-BRAZILIAN DIALOGUE IN THIS SECTOR. SECRETARY'S PUBLIC APPEARANCES WILL BE OPPORTUNITY FOR AUTHORITATIVE STATEMENT OF US VIEWS ON INTERNATIONAL ISSUES AND FOR ADVANCEMENT OF US COMMERCIAL INTERESTS IN BRAZIL.

2. FOLLOWING RECEIPT OF REFTEL A ECON COUNSELOR AND ASSISTANT AGRICULTURAL ATTACHE MET WITH OFFICIALS OF MINISTRIES OF AGRICULTURE AND EXTERNAL RELATIONS ON MAY 30 AND JUNE 2 TO DISCUSS SECRETARY'S FORTHCOMING VISIT. DR. PAULO AFONSO ROMANO, SECRETARY GENERAL, AND DR. LAMARTINE, COORDINATOR FOR INTERNATIONAL AFFAIRS, IN TURN DISCUSSED THE SUGGESTED SCHEDULE WITH MINISTER PAULINELLI. SEC

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GENERAL SAID THAT SECRETARY BUTZ WOULD BE INVITED AS THE OFFICIAL GUEST OF MINISTER PAULINELLI. AMBASSADOR

AND MRS. CRIMMINS WOULD BE HONORED TO HAVE SECRETARY AND MRS. BUTZ STAY AT THE AMBASSADOR'S RESIDENCE DURING THEIR VISIT IN BRASILIA. (THERE WOULD ALSO BE QUARTERS AVAILABLE AT THE RESIDENCE FOR ONE ADDITIONAL PERSON.)

3. MAJOR ELEMENTS OF THE VISIT, AS WE SEE THEM, WOULD BE:

A) TWO PUBLIC SPEECHES BY THE SECRETARY TO THE AMERICAN CHAMBERS IN SAO PAULO AND RIO. ONE OF THESE --THE SPEECH IN RIO -- COULD BE DEVOTED PRIMARILY TO A BROAD REVIEW OF THE GLOBAL OUTLOOK FOR AGRICULTURE, AND US VIEWS ON THE ISSUES ARISING FROM THIS GLOBAL SETTING, HIGH-LIGHTING, EXPLAINING, AND ADVOCATING RECENT US PROPOSALS ON WORLD FOOD PROBLEM. THE SAO PAULO SPEECH COULD DEAL WITH US AND BRAZILIAN AGRICULTURAL POLICIES, THE COMPLEMENTARITY OF US AND BRAZILIAN INTERESTS IN AGRICULTURE, SPECIFIC COMMODITY ISSUES, AND THE POSSIBILITY AND ALTERNATIVES FOR US-BRAZILIAN COOPERATION, IN THE PRIVATE SECTOR.

B) TWO SUBSTANTIVE SESSIONS WITH MINISTER PAULINELLI. THE FIRST OF THESE, ON FRIDAY, JUNE 20, COULD DEAL WITH BROADER ISSUES OF CONCERN TO SEVERAL MINISTRIES SUCH AS THE OUTLOOK FOR THE MTN IN AGRICULTURE, US AND BRAZILIAN VIEWS ON THE EC'S AGRICULTURAL POLICIES, NEXT STEPS ON THE WORLD FOOD PROBLEM, AND THE WORK OF THE NEW AGRICULTURAL DEVELOPMENT COORDINATING COMMITTEE. SUGAR POLICY MIGHT ALSO BE DISCUSSED BECAUSE THE SUGAR INSTITUTE FALLS WITHIN THE JURISDICTION OF THE MINISTRY OF INDUSTRY AND COMMERCE, AND OUR BRAZILIAN COUNTERPARTS HAVE SUGGESTED THE POSSIBLE PARTICIPATION OF MINISTER SEVERO GOMES IN THIS PART OF THE SESSION. (ALTHOUGH WE HAVE IN NO WAY ENCOURAGED THIS, THE BRAZILIAN SIDE MAY RAISE FERTILIZER EXPORTS AND US COFFEE POLICY) THE OTHER SESSION, ON SATURDAY, JUNE 21, WOULD CONCENTRATE ON ISSUES OF CONCERN PRIMARILY TO THE TWO MINISTRIES OF AGRICULTURE, INCLUDING A GENERAL DISCUSSION ON THE STATUS AND PROGRESS OF BRAZIL'S AGRICULTURAL DEVELOPMENT AND THE POLICIES AND INSTITUTIONS THROUGH WHICH THE GOB PURSUES THIS DEVELOPMENT; AND EXCHANGES OF VIEWS ON SPECIFIC COMMODITIES AND CROPS SUCH AS SOYBEANS, WHEAT, LIMITED OFFICIAL USE LIMITED OFFICIAL USE

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AND BRAZIL'S CATTLE INDUSTRY. THE STATUS OF US AID PROGRAMS IN AGRICULTURE COULD ALSO BE PROFITABLY DISCUSSED. THE ROLE OF FOREIGN INVESTORS IN BRASIL'S AGRO-BUSINESS SECTOR, CURRENT AND PROSPECTIVE, STRESSING INTERNATIONAL COMPETITION IN THIS AREA, AND THE SYSTEMS OF INCENTIVES OFFERED BY THE GOB, MIGHT BE A FOURTH GENERAL TOPIC FOR THIS SESSION.

C) PROTOCOL VISITS (SOME OF WHICH MIGHT OFFER OPPORTUNITIES FOR SUBSTANTIVE EXCHANGES) WOULD INCLUDE THE FOREIGN MINISTER AND THE GOVERNORS OF RIO AND SAO PAULO STATE.

A LETTER FROM PRESIDENT FORD TO PRESIDENT GEISEL WOULD BE USEFUL IN CONNECTION WITH AN AUDIENCE WITH THE PRESIDENT OF THE REPUBLIC. IN ADDITION, THE SECRETARY WOULD CALL ON THE SECRETARIES OF AGRICULTURE IN RIO AND SAO PAULO STATE FOR A DISCUSSION OF THE AGRICULTURAL SITUATION IN THEIR RESPECTIVE STATES.

D) IN RIO AND SA PAULO, THE SECRETARY WOULD MEET WITH THE US AND BRAZILIAN BUSINESS COMMUNITY TO OBTAIN A VIEW OF BRAZILIAN AGRICULTURE AS SEEN BY THE PRIVATE SECTOR.

4. A MAJOR UNSOLVED QUESTION CONCERNS THE INSTITUTIONS AND FACILITIES THE SECRETARY WOULD WISH TO VISIT. THIS PROBLEM IS COMPLICATED BY THE SIZE OF THE COUNTRY AND THE COMPLEXITIES OF THE LOGISTICS. WE HAVE DISCUSSED THIS QUESTION EXTENSIVELY WITH DR. ROMANO, SO FAR INCONCLUSIVELY, AND SUGGEST SEVERAL TENTATIVE ALTERNATIVES BELOW.

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FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC IMMEDIATE 9591

INFO AMCONSUL RIO DE JANEIRO

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5. EMBASSY RECOMMENDS THAT THE POSTURE FOR SECRETARY'S VISIT BE THAT IT IS INTENDED AS A CONTINUATION OF EARLIER EXCHANGES BETWEEN THE TWO MINISTERS AND REFLECTS THE GROWING IMPORTANCE OF BRAZIL IN WORLD AGRICULTURE AND OF US-BRAZILIAN TIES IN THIS SECTOR. TO THE EXTENT POSSIBLE, TO TAKE ACCOUNT OF BRAZILIAN SENSITIVITIES, VISIT SHOULD BE PRESENTED AS IN RESPONSE TO

BRAZILIAN INDICATIONS OF INTEREST, OR EVEN INITIATIVE, AND THE SECRETARY'S SCHEDULE AS RESPONSIVE TO BRASILIAN AS WELL AS US PRIORITIES. SECRETARY'S ARRIVAL STATEMENT WOULD STATE -- OR AT LEAST IMPLY -- THAT SECRETARY IS VISITING BRAZIL AT THE INVITATION OF THE GOVERNMENT OF BRASIL, AND EMBASSY PROPOSES TO TRY TO WORK OUT SUGGESTED LANGUAGE WITH FOREIGN OFFICE AND MINISTRY OF AGRICULTURE ALONG THESE LINES. IN ACCORDANCE WITH THIS GENERAL CONCEPTION, EMBASSY WISHES TO CONSULT FULLY BRASILIAN WISHES ON ALL ASPECTS OF THE VISIT -- EVEN THOUGH EMBASSY AND CONSULATES WILL PROBABLY HAVE TO HANDLE MOST OF THE ARRANGEMENTS ON THEIR OWN AND SECRETARY'S SCHEDULE WILL CONFORM TO SECRETARY'S OWN PRIORITIES AND INTERESTS.

6. THE CONTROL OFFICER FOR SECRETARY BUTZ'S VISIT WILL BE EMBASSY'S COUNSELOR FOR ECONOMIC AND COMMERICAL AFFAIRS, LIMITED OFFICIAL USE
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CLAUS W. RUSER, WHO WOULD EXPECT TO ACCOMPANY THE SECRETARY TO RIO AND SAO PAULO.

PART TWO: SUGGESTED SCHEDULE (PART TWO OF THREE)

7. FOLLOWING IS A TENTATIVE PROGRAM AS IT HAS EMERGED FROM THE DISCUSSIONS WITH THE MINISTRY OF AGRICULTURE, AND FROM EXCHANGES WITH CONGENS RIO AND SAO PAULO.

A. JUNE 20, FRIDAY

1340 - ARRIVAL IN BRASILIA.

ARRIVAL STATEMENT TO THE PRESS. SECRETARY AND MRS. BUTZ (PLUS STAFF AIDE) PROCEED TO AMBASSADOR'S RESIDENCE; REST OF PARTY PROCEED TO HOTEL NACIONAL.

4:40 - SECRETARY ACCOMPANIES BY AMBASSADOR LEAVES RESIDENCE.

15:00 - SECRETARY, ACCOMPANIED BY AMBASSADOR, CALLS ON FOREIGN MINISTER SILVEIRA.

15:45 - SECRETARY, ACCOMPANIED BY AMBASSADOR AND (POSSIBLY) FOREIGN MINISTER, CALLS ON PRESIDENT OF THE REPUBLIC. SECRETARY DELIVERS LETTER FROM PRESIDENT FORD.

16:15 - SECRETARY AND AMBASSADOR LEAVE FOR MEETING WITH MINISTER OF AGRICULTURE.

16:30 - FIRST SESSION WITH MINISTER OF AGRICULTURE. SECRETARY ACCOMPANIED BY AMBASSADOR WOULD CALL ON MINISTER IN HIS OFFICE. IN THEIR INITIAL MEETING (PERHAPS TWENTY TO THIRTY MINUTES) THE TWO MINISTERS WOULD BE ACCOMPANIED ONLY BY ONE OR TWO OFFICIALS, AFTER WHICH THE MEETING COULD BE BROADENED TO INCLUDE A LARGER GROUP, AS THE MINISTERS WISH. THE PURPOSE OF THE INITIAL RESTRICTED MEETING WOULD BE TO PERMIT, ON A PERSONAL LEVEL, A FREER EXCHANGE OF VIEWS THAN WOULD BE POSSIBLE IN A LARGER GROUP. DURING THIS PERIOD, THE MINISTERS COULD ALSO REVIEW THE PROPOSED AGENDA FOR THEIR TALKS, WHICH WOULD GIVE SECRETARY BUTZ AN OPPORTUNITY TO RAISE ANY SPECIFIC POINTS HE MIGHT WISH TO MAKE TO HIS HOST IN A MORE CONFIDENTIAL SETTING.

A POSSIBLE AGENDA FOR THE FIRST SESSION WOULD BE:

--THE GLOBAL OUTLOOK FOR AGRICULTURE: THE ROLE OF THE US AND BRAZIL.

--THE MTN: PROSPECTIVE NEGOTIATIONS IN THE AGRICULTURAL SECTOR -- THE US AND BRAZILIAN APPROACHES TO THE NEGOTIATIONS, AND POSSIBILITIES FOR COOPERATION BETWEEN THE US AND BRAZIL DURING THE NEGOTIATIONS.

--THE WORLD FOOD PROBLEM: THE STATUS OF FOLLOW-UP TO THE LIMITED OFFICIAL USE
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WORLD FOOD CONFERENCE --US AND BRAZILIAN THINKING ON:

A) THE ROLE OF THE NEW CONSULTATIVE GROUP ON FOOD PRODUCTION AND INVESTMENT;

B) THE PROPOSED SYSTEM OF NATIONALLY-HELD GRAIN RESERVES;

C) THE PROPOSED INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT; AND

D) THE OUTLOOK FOR FOOD AID: US INTENTION

--INTER-AMERICAN COOPERATION IN AGRICULTURAL DEVELOPMENT, INCLUDING THE IDB.

--US AND BRAZILIAN VIEWS ON SUGAR POLICY.

18:30 - SECRETARY BUTZ RETURNS TO RESIDENCE

20:00 - AMBASADOR'S RECEPTION-BUFFET IN HONOR OF SECRETARY BUTZ.

GUESTS WOULD INCLUDE LEADING BRAZILIANS IN EXECUTIVE AND LEGISLATIVE BRANCHES, WITH EMPHASIS ON AGRICULTURAL SECTOR.

COMMENT: FOREGOING IS AN OPTIMAL SCENARIO. WE DO NOT KNOW, AT THIS POINT, WHETHER PRESIDENT GEISEL WILL BE IN BRASILIA THAT DAY, OR WHETHER AN APPOINTMENT COULD BE ARRANGED.

B. JUNE 21, SATURDAY

10:00 - MINISTERS CONTINUE THEIR DISCUSSIONS AT MINISTER PAULINELLI'S RESIDENCE.

SUGGESTED AGENDA WOULD BE AS FOLLOWS:

--MAIN LINES OF BRAZIL'S AGRICULTURAL DEVELOPMENT UNDER SECOND FIVE YEAR PLAN: A REVIEW OF PRODUCTION AND EXPORT TARGETS FOR VARIOUS PRODUCTS AND REGIONS, THE MAIN LINES OF POLICY AND THE MAJOR INSTRUMENTALITIES USED BY THE GOB, AND THE MAJOR TECHNICAL, ECONOMIC AND SOCIAL ISSUES FACED BY THE GOB IN THE IMPLEMENTATION OF THE PLAN; POSSIBLE IMPLICATIONS FOR US-BRAZILIAN RELATIONS.

--REVIEW OF SPECIFIC COMMODITY ISSUES:

I) WHEAT: OUTLOOK FOR BRAZILIAN CONSUMPTION AND PRODUCTION, BRASIL'S IMPORT POLICY, IMPLICATIONS FOR US EXPORTS.

II) SOYBEANS: PROSPECTIVE EXPANSION OF BRASILIAN PRODUCTION AND EXPORTS; THE OUTLOOK FOR THE GLOBAL SUPPLY-DEMAND BALANCE; BRASILIAN AND US MARKETING POLICIES; POSSIBLE COOPERATION IN EXPANDING SOYBEAN CONSUMPTION.

88) THE BRASILIAN CATTLE INDUSTRY.

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TO SECSTATE WASHDC IMMEDIATE 9592

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IV) BRASILIAN POLICY ON TROPICAL PRODUCTS, SUCH AS SISAL, COCOA, SUGAR; THEIR ROLE IN THE MULTILATERAL TRADE NEGOTIATIONS.

-- INVESTMENT: THE ROLE OF PRIVATE INVESTMENT, INCLUDING FOREIGN INVESTMENT, IN BRASILIAN AGRICULTURAL DEVELOPMENT: HOW DOES GOB EXPECT PRIVATE FOREIGN INVESTMENT (EUROPEAN, JAPANESE, AND US) TO DEVELOP IN AGRO-BUSINESS SECTOR; WHAT POLICIES IS IT PURSUING TO STIMULATE PRIVATE ENTERPRISE.

--THE STATUS OF US ASSISTANCE PROGRAMS: THE ROLE OF US ASSISTANCE IN BRASIL'S AGRICULTURAL DEVELOPMENT IN RECENT YEARS, AND THE IMPLICATIONS OF THE PHASE-OUT OF US ASSISTANCE FOR PARTICULAR SECTORS, REGIONS, AND INSTITUTIONS.

--POSSIBLE FUTURE OCCASIONS FOR THE TWO MINISTERS TO STAY IN TOUCH ON ISSUES OF MUTUAL CONCERN.

12:00-LUCH HOSTED BY MINISTER AT PAULINELLI RESIDENCE.

MINISTER'S STAFF HAS INDICATED THAT PAULINELLI WOULD WISH TO KEEP THE LUNCHEON SMALL IN ORDER TO FACILITATE AN INFORMAL ATMOSPHERE MINISTER IS SUGGESTING A TOTAL OF 12 PERSONS, INCLUDING 6 - 8 AMERICANS.

FOR THE AFTERNOON, THERE ARE TWO POSSIBILITIES.

ALTERNATIVE ONE: A TRIP INTO THE OPEN COUNTRY TO GIVE THE SECRETARY AN OPPORTUNITY TO OBSERVE FIRSTHAND THE SPECIFIC SOIL, TOPOGRAPHICAL AND CLIMATIC DONDITIONS
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OF THE CERRADO, THE DRY, LARGELY UNCULTIVATED LANDS OF THE INTERIRO OF BRASIL, WHICH PROVIDE THE MAJOR OPPORTUNITIES FOR EXPANSION OF ACREAGE BUT ALSO ENTAIL VERY SPECIAL TECHNICAL AND ECONOMIC CHALLENGES. BECAUSE OF BRASILIA'S REMOTENESS, INTERESTING DEVELOPMENTS ARE, HOWEVER, AT A CONSIDERABLE DISTANCE FROM THE CITY. ONE OF THESE, A LARGE COMMERCIAL FARM BEING DEVELOPED BY THREE SAO PAULO INVESTORS -- FAZENDA DE TRES BARRAS-- IS ABOUT 100 KILOMETERS SOUTH OF BRASILIA NEAR CRISTALINA. BY CAR, THIS WOULD BE WELL OVER AN HOUR; VIA THE BRASILIA-BELO HORIZONTE HIGHWAY TO CRISTALINA AND FROM THERE OVER 40 KILOMETERS OF PRIVATELY-OWNED DIRT ROAD TO THE FARM HOUSE. ALTERNATIVELY, THE SECRETARY AND A SMALL PARTY COULD REACH THE FARM BY SMALL PRIVATE AIRCRAFT IN ABOUT 20 - 25 MINUTES. THE OWNERS OF THE FARM HAVE OFFERED TO MAKE THEIR TWO PRIVATE AIRCRAFT AVAILABLE. THERE IS ALSO THE POSSIBILITY OF RENTING SUCH AIRCRAFT IN BRASILIA. ALTHOUGH THIS PROJECT HAS BEEN UNDER WAY FOR ONLY SIX AND ONE HALF MONTHS, OUTSTANDING PROGRESS HAS BEEN MADE IN TRANSFORMING THE CERRADO INTO PROFITABLE CROP LAND (RICE, CORN, SOYA, AND POSSIBLY SUGAR, ETC.), AND THE OWNERS HAVE DEVELOPED INTERESTING TECHNIQUES TO MANAGE CERRADO SOIL. (SEE EARLIER EMBTEL.)

TO COVER THIS EVENT BY CAR, THE SECRETARY WOULD BE REQUIRED TO POSTPONE HIS DEPARTURE FROM BRASILIA TO 18:30 HOURS, TO ALLOW A VISIT OF ABOUT 1 HOUR AT THE FARM. THE OWNER WOULD ARRANGE FOR A BRIEFING ON THE TECHNICAL AND FINANCIAL PROBLEMS ENCOUNTERES IN DEVELOPING THE FARM.

ALTERNATIVE TWO: A REST PERIOD, FOLLOWED BY A SIGHTSEEING TOUR OF BRASILIA, AND AN EARLY DEPARTURE AS SCHEDULED AT 17:00 HOURS.

17:15- PRESS CONFERENCE AT AIRPORT PRIOR TO DEPARTURE.

ASSUMING THAT THE SECRETARY DECIDES TO VISIT FAZENDA DE TRES BARRES BY SMALL AIRCRAFT, THE EMBASSY RECOMMENDS THAT THE DEPARTURE BE SET BACK FROM 1700 TO 18:00 HOURS TO ALLOW TIME FOR A PRESS CONFERENCE AT BRASILIA AIRPORT. EMBASSY BELIEVES THAT SUCH A PRESS CONFERENCE IS EXPECTED AND APPROPRIATE UPON THE CONCLUSION OF THE SUBSTANTIVE TALKS BEFORE THE SECRETARY DEPARTS FROM THE CAPITAL. IF SECRETARY CHOOSES ALTERNATIVE TWO, PRESS CONFERENCE COULD BE SCHEDULED FOR 16:15.

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(IF THE SECRETARY SHOULD VISIT THE FAZENDA BY AUTOMOBILE, A FURTHER HALF HOUR DELAY WOULD BE REQUIRED, SETTING THE DEPARTURE AT 18:30 HOURS WITH PRESS CONFERENCE AT 1800.)

LADIES' PROGRAM IN BRASILIA: SEPARATE SCHEDULE FOR

MRS. BUTZ IN BRASILIA COULD INCLUDE A MORE EXTENSIVE
SIGHTSEEING TOUR (PRINCIPALLY THE ARCHITECTURE OF THE CITY),
AND A TEA OR COFFEE WITH SENIOR WIVES FROM THE AMERICAN COMMUNITY.

CONTINGENCY ITEM: IF CONGRESSIONAL MEMBERS OF THE
SECRETARY'S PARTY TO CARACAS SHOULD DECIDE TO ACCOMPANY
SECRETARY BUTZ TO BRASILIA, THE EMBASSY WOULD BE PREPARED
TO DEVELOP A SEPARATE PROGRAM FOR THEM, CENTERED ON
VISITS OR MEETINGS WITH KEY MEMBERS OF THE BRAZILIAN
CONGRESS CONCERNED WITH AGRICULTURE. THE EMBASSY
WOULD TRY TO ARRANGE THESE MEETINGS FOR FRIDAY AFTERNOON.
OTHER POSSIBILITIES WOULD BE MORE GENERAL BRIEFINGS BY
THE EMBASSY AND/OR THE MINISTRY OF PLANNING AND COORDINATION
ON THE STATUS AND PROSPECTS OF THE BRAZILIAN
ECONOMY; INDIVIDUAL CALLS TAILORED TO OTHER SPECIFIC
INTERESTS OF THE LEGISLATORS; OR A SATURDAY MORNING GOLF
OR TENNIS GAME.

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FM AMEMBASSY BRASILIA

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19:30 - ARRIVAL AT RIO'S GALEAO AIRPORT (ASSUMING 18:00
DEPARTURE FROM BRASILIA).

CONSUL GENERAL DEXTER WILL MEET. TRANSFER FROM
AIRPORT TO HOTEL, THE SHERATON OR INTERCONTINENTAL.

EVENING FREE.

C. JUNE 22, SUNDAY

THERE ARE SEVERAL OPTIONS:

OPTION 1: DAY FREE FOR REST AND SIGHTSEEING, INCLUDING VISITS TO COPACABANA, CORCOVADO, PAO DE ACUCAR, BARRA DA TIJUCA (BEACH AREA OUTSIDE RIO), AND POSSIBLE ATTENDANCE AT A SOCCER MATCH, IF THE SECRETARY OR HIS PARTY DESIRES. A BOAT OR HELICOPTER TOUR OF THE CITY COULD BE ARRANGED IN ADVANCE, IF THE PARTY DESIRES.

OPTION 2: VISIT TO VICOSA, MINAS GERAIS, TO SEE THE PURDUE UNIVERSITY EXPERIMENTAL STATION. THIS WOULD ENTAIL TRAVEL BY SMALL AIRCRAFT.

OPTION 3: VISIT TO RIO DE JANEIRO SCHOOL OF AGRONOMY, THE CLOSEST AGRICULTURAL EXPERIMENT STATION TO RIO SPECIALIZING IN ANIMAL HUSBANDRY, VET SCIENCES, GENETICS, LIMITED OFFICIAL USE

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AND ARTIFICIAL INSEMINATION TECHNIQUES. IT IS LOCATED ABOUT 45 KILOMETERS FROM RIO ON THE ROAD TO SAO PAULO.

20:00 - DINNER HOSTED BY CONSUL GENERAL DEXTER. SUGGESTED GUEST LIST, INCLUDING WIVES:

-- DR. BENEDITO MOREIRA, DIRECTOR OF CACEX

-- PAULO KONDER BORNHAUSER, PRESIDENT, COBEC (SEMI-PUBLIC TRADING COMPANY FOR AGRICULTURAL COMMODITIES, WITH BANCO DO BRASIL BEING PRINCIPAL STOCKHOLDER)

-- HENRY LOUIS GUITTON, DIRECTOR OF WHEAT BOARD

-- GEN. ALVARO TAVARES CARMO, PRESIDENT OF SUGAR AND ALCOHOL INSTITUTE

-- JOSE RESENDE PEREZ, STATE SECRETARY OF AGRICULTURE

-- SENIOR CONSULATE STAFF

THE CONSUL GENERAL COULD ALSO ARRANGE A SMALLER, LESS FORMAL DINNER PARTY IF THE SECRETARY WOULD PREFER THIS.

D. JUNE 23 - MONDAY

9:30 - MEETING WITH PRESIDENT OF SUGAR AND ALCOHOL INSTITUTE (IAA), GEN. ALVARO TAVARES CARMO.

FOR AN OPENER, SECRETARY MIGHT ASK ABOUT THE ROLE OF THE INSTITUTE. THIS WOULD LEAD TO A REVIEW OF WORLD SUGAR OUTLOOK, POLICIES OF THE TWO COUNTRIES, AND (POSSIBLY) US-BRAZILIAN

BILATERAL ISSUES. (BRAZILIANS MAY RAISE.)

11:00 - MEETING WITH DIRECTOR OF WHEAT BOARD, HENRY LOUIS GUITTON.

(AGENDAA ANALOGOUS TO ABOVE.)

NOON - LUNCHEON AND ADDRESS BEFORE AMERICAN CHAMBER OF COMMERCE IN RIO. (TENTATIVE).
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THIS SPEECH COULD FOCUS ON BROADER GLOBAL ISSUES (SEE PARAGRAPH 3A ABOVE). GUESTS WOULD INCLUDE REPRESENTATIVES FROM THE BRAZILIAN BUSINESS COMMUNITY, GOVERNMENT OFFICIALS, COMMODITY DEALIERS, AND CORRESPONDENTS OF THE LEADING NEWSPAPERS.

15:00 - COURTESY CALL ON THE GOVERNOR OF RIO STATE, FARIA LIMA.

15:30 - MEETING WITH THE SECRETARY OF AGRICULTURE FOR THE STATE OF RIO DE JANEIRO, JOSE RESENDE PEREZ.

LADIES SCHEDULE IN RIO: SEPARATE SCHEDULE WILL BE ARRANGED FOR MRS. BUTZ IN RIO, INCLUDING VISITS TO LOCAL STORES, IF DESIRED. MRS. DEXTER WOULD BE HAPPY TO ESCORT MRS. BUTZ.

17:00 - DEPARTURE FOR GALEAO AIRPORT.

18:00 - DEPARTURE FOR SAO PAULO.

18:30 - ARRIVAL AT VIRACOPOS.

20:30 - ARRIVAL AT HOTEL, THE SAO PAULO HILTON.

EVENING FREE.

E. JUNE 24, TUESDAY

9:00 - COURTESY CALL ON THE GOVERNOR OF THE STATE OF SAO PAULO, PAULO EGIDIO MARTINS.

9:30 - TRAVEL TO CONSULATE GENERAL.

10:00 - MEETING AT THE CONSULATE WITH SELECT GROUP OF AGRO-BUSINESS LEADERS.

THE SUBJECT OF DISCUSSION WOULD BE BRAZIL'S FUTURE

IN THE PRODUCTION AND EXPORT OF GRAINS, OIL SEEDS AND
PRODUCTS, AND LIVESTOCK AND LIVESTOCK PRODUCTS.
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11:00 - TRAVEL TO HOTEL AND SHORT REST PERIOD.

NOON - LUNCHEON AND ADDRESS TO SAO PAULO AMERICAN CHAMBER
OF COMMERCE.

THE SITE WILL BE THE MAIN BALLROOM OF THE SAO PAULO AUTOMOBILE
CLUB WHICH ACCOMMODATES 250 - 300 PERSONS. FOR SUGGESTED
FOCUS OF SECRETARY'S ADDRESS (ASSUMING SECRETARY AGREES
TO ADDRESS THE RIO CHAMBER), SEE PARAGRAPH 3.A ABOVE.

FOR THE AFTERNOON, EMBASSY SUGGESTS THE FOLLOWING
ALTERNATIVES:

ALTERNATIVE ONE: SECRETARY BUTZ WOULD LIMIT HIS
APPOINTMENTS TO THE SAO PAULO AREA, IN VIEW OF THE
LOGISTICAL DIFFICULTIES ASSOCIATED WITH LEAVING THE METRO-
POLITAN AREA FOR THE AFTERNOON.

14:00 - TRAVEL TO SECRETARIAT OF AGRICULTURE

1430: - MEETING WITH SECRETARY OF AGRICULTURE FOR THE
STATE OF SAO PAULO, DR. PEDRO TASSINAMI FILHO,
FOLLOWED BY A BRIEFING BY THE DIRECTOR AND STAFF OF THE
INSTITUTE OF AGRICULTURAL ECONOMICS.

THE BRIEFING WOULD BE CENTERED ON TRENDS AND PROSPECTS
IN SOUTHERN BRASIL, PARTICULARLY SAO PAULO STATE. THE
INSTITUTION, AN AUTONOMOUS INSTITUTE WITHIN THE SECRETARIAT
OF AGRICULTURE, IS CURRENTLY THE ONLY RELIABLE SOURCE OF
STATISTICS ON BRASILIAN AGRICULTURE.

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FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC IMMEDIATE 9594

INFO AMCONSUL RIO DE JANEIRO

AMCONSUL SAO PAULO

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15:30 - TRAVEL TO HOTEL

16:00 - EXCLUSIVE INTERVIEW WITH MAJOR NEWSPAPER OR
MAGAZINE.

17:00 - REST PERIOD.

ALTERNATIVE TWO: SECRETARY BUTZ AND HIS PARTY TRAVEL TO
PIRACICABA, THE AGRICULTURAL CAMPUS OF THE STATE OF SAO
PAULO UNIVERSITY SYSTEM, AND ONE OF THE TOP AGRICULTURAL
EXPERIMENT STATIONS IN THE COUNTRY. IT IS LOCATED ABOUT 150
KILOMETERS NORTHWEST OF SAO PAULO, AND THE SECRETARY
WOULD HAVE TO TRAVEL BY SMALL AIRCRAFT. THERE IS A LANDING
STRIP NEXT TO THE CAMPUS.

14:30 - DEPART CONGONHAS (IN TOWN AIRPORT).

15:00 - ARRIVE PIRACICABA. MEETING WITH RECTOR
AND DEPARTMENT HEADS, FOLLOWED BY A ROUND-TABLE DISCUSSION
WITH THE FACULTY.

16:30 - DEPART PIRACICABA.

17:00 - ARRIVA CONGONHAS, TRANSFER TO HOTEL.

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17:30 - REST PERIOD OR EXCLUSIVE INTERVIEW.

PROGRAM FOR EVENING: OUR BASIC PROGRAM OPTION IS A
DINNER HOSTED BY CONSUL GENERAL CHAPIN AT HIS RESIDENCE,
SIMILAR TO THE DINNER PARTY AT RIO, WITH PROMINENT LEADERS
FROM PUBLIC AND PRIVATE LIFE. THE NUMBER OF GUESTS COULD
BE UP TO 30 - 40 PERSONS FOR A DINNER AND UP TO 100 FOR
A RECEPTION DEPENDING ON THE SECRETARY'S WISHES. THE
SECRETARY WOULD LEAVE THE HOTEL AT 19:30, ARRIVING AT

THE RESIDENCE AT ABOUT 20:00.

IF THE GOVERNOR OF THE STATE WISHES TO GIVE A
RECEPTION/BUFFET DINNER IN HONOR OF SECRETARY BUTZ, THE
CONSUL GENERAL WOULD DEFER.

LADIES SCHEDULE: THIS MIGHT INCLUDE A VISIT TO FLOWER
MARKET AT CEASA IN THE MORNING FOLLOWED BY LUNCH; AFTERNOON
MIGHT BE RESERVED FOR MUSEUM VISITS, SUCH AS FRENCH OR
RELIGIOUS ART.

COMMENT: IN ADDITION TO PIRACICABA, CONSULATE SAO
PAULO HAS ALSO CONSIDERED THE POSSIBILITY OF A
VISIT TO THE AGRONOMIC RESEARCH INSTITUTE, UNDER THE
STATE SECRETARIAT OF AGRICULTURE, IN CAMPINAS. THIS
INSTITUTE IS WELL-KNOWN FOR ITS RESEARCH ON PLANT GENETICS
AND PATHOLOGY, COFFEE AND OTHER CROPS. WHILE
NOT AS FAR AS PIRACICABA, IT WOULD BE MORE THAN AN HOUR'S
DRIVE IN LIGHT TRAFFIC AND THE SECRETARY WOULD BE
RETURNING TO THE CITY DURING RUSH HOURS, WHICH
WOULD ROUGHLY DOUBLE THE TRAVEL TIME. (VIRACOPOS IS
LOCATED NEAR CAMPINAS.) WE RECOMMEND AGAINST THIS UNLESS
THE SECRETARY HAS A STRONG INTEREST IN VISITING THIS
RESEARCH FACILITY, AND AS A PRACTICAL MATTER, CONSIDER
ALTERNATIVE ONE AS THE BEST OF THE POSSIBILITIES.

F. WEDNESDAY, JUNE 25

7:30 DEPART HOTEL

9:30 TAKE OFF FOR CARACAS

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PART THREE: ACTION REQUESTED (PART THREE OF THREE
TO PROCEED WITH PREPARATIONS, EMBASSY URGENTLY
REQUESTS THE FOLLOWING:

A) APPROVAL OF SCENARIO, INCLUDING INDICATION OF
PREFERENCES BETWEEN ALTERNATIVES;

B) AUTHORITY TO PROCEED WITH ARRANGEMENTS AND COMMIT-
MENTS, INCLUDING SPEAKING ENGAGEMENTS AND HOTEL SPACE;

C) DEFINITIVE LIST OF NAMES AND TITLES OF PERSONS
ACCOMPANYING SECRETARY; ESTIMATE ON POSSIBILITY THAT CONGRESSIONAL
DELEGATES WILL DECIDE TO PROCEED WITH SECRETARY TO BRAZIL.

D) INDICATION OF WHETHER SECRETARY AND MRS. BUTZ ACCEPT
AMBASSADOR CRIMMINS(INVITATION TO STAY AT RESIDENCE.

8. AS SOON AS POSSIBLE, WE NEED TO HAVE FULL NAME, PARENTS' NAME, DATE OF BIRTH, AND PASSPORT NUMBER FOR EACH TRAVELER TO UNDERTAKE PRE-REGISTRATION FORMALITIES AT HOTELS.

9. WE ALSO REQUEST ADVANCE TEXTS OF PROPOSED RIO AND SAO PAULO SPEECHES, AND OR DRAFT ARRIVAL STATEMENT, IF ARRIVAL STATEMENT TO BE MADE, FOR DISCUSSION WITH GOB (SEE PARA 5).

10. AS REGARDS AGENDA FOR SUBSTATIVE MEETINGS BETWEEN SECRETARY BUTZ AND MINISTER PAULINELLI, IF THE TOPICS AND THEIR SEQUENCE IS ACCEPTABLE, EMBASSY WOULD APPRECIATE BACKGROUND INFORMATION ON WHAT ISSUES SECRETARY WILL WISH TO ADDRESS UNDER EACH TOPIC, AND GUIDANCE ON EXTENT TO WHICH EMBASSY COULD GIVE INDICATION TO BRASILIAN SIDE AS TO SPECIFIC POINTS AND ISSUES SECRETARY IS LIKELY TO PURSUE IN THESE DISCUSSIONS.

11. SEPARATE EMBASSY MESSAGE WILL DEAL WITH PROPOSED LETTER FROM PRESIDENT.

12. EMBASSY WISHES TO STRESS URGENCY THAT IT BE PROVIDED AS SOON AS POSSIBLE NUMBER OF PERSONS IN SECRETARY'S PARTY LIMITED OFFICIAL USE

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SO THAT HOTEL RESERVATIONS CAN BE MADE, FOR WHICH WE FORESEE CONSIDERABLE DIFFICULTIES.

13. EMBASSY ALSO NEEDS TO KNOW HOW EXPENSES IN CONNECTION WITH TRIP WILL BE FUNDED, I.E., HIRE OF VEHICLES, AIRCRAFT, HOTEL BILLS, ETC.

14. JOURNAL DO BRASIL (JUNE 5) CARRIES FIRST REPORT ON SECRETARY BUTZ'S FORTHCOMING VISIT AND POSTS ARE BEGINNING TO RECEIVE INQUIRIES ABOUT PURPOSE OF VISIT. EMBASSY REQUESTS PRESS GUIDANCE AS SOON AS POSSIBLE.
CRIMMINS

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Message Attributes

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